

Department of the Army, DoD

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requirement applies only to services covered by Federal Supply Class or Service codes for "Research and Development," and "Other Services and Construction." However, when non-incidental services are discretely included in a contract for supplies and equipment, and can be characterized as "Research and Development," or "Other Services and Construction," contractors shall be required to characterize and report such services under this requirement. (Example: Ongoing facility management or maintenance and quality assurance services separately priced under the contract.)

(4) *Effective dates for reporting.* For covered contracts in effect prior to March 15, 2000, including previously exempt contract actions (such as those entered into under FAR Part 12 (48 CFR Part 12) procedures prior to December 31, 2000), once a contract is modified to include this reporting requirement, reporting is required retroactive to October 1, 1999, or the start of the contract/order, whichever is later.

§ 668.2 Contract Reporting Requirements.

The below requirement will be included in all solicitations and contract actions (including orders) as specified in § 668.1:

REPORTING OF CONTRACTOR MANPOWER DATA ELEMENTS

(a) *Scope.* The following sets forth contractual requirements, and related policies and procedures, for reporting of contractor labor work year equivalents (also called Contractor Man-year Equivalents (CMEs)) in support of the Army, pursuant to 10 U.S.C. 129a, 10 U.S.C. 2461(g), and Section 343 of Public Law 106-65. Reporting shall be accomplished electronically by direct contractor submission to a secure Army Web Site: <https://contractormanpower.us.army.mil/>.

(b) *Purpose.* The purpose of this reporting requirement is to respond to Congressional requests; significantly improve reports to Congress and to internal Army manpower and force management planners and decisionmakers; and, to broadly quantify the extent of CMEs used to support Army operations and management under the Federal Supply Class and Service Codes for "Research and Development" and "Other Services and Construction." The Army's objective is to collect as much significant CME data as possible to allow accurate reporting to Congress and for Army planning purposes.

The reporting data elements should not be viewed as an "all or nothing" requirement. Even partial reporting, *e.g.*, direct labor hours, appropriation data, place of performance, Army customer, etc., will be helpful.

(c) *Applicability.* This reporting requirement applies only to services covered by Federal Supply Class or Service codes for "Research and Development," and "Other Services and Construction." If the contractor is uncertain of the coding of the services performed under this contract/order, or the scope and frequency of reporting, guidance may be obtained from the Army Web Site Help Desk, other HQDA contacts cited at the Web Site, or from the contracting officer. Classified contract actions are not, *per se*, exempt from this requirement. Report submissions shall not contain classified information.

(d) *Requirements.* The contractor is required to report the following contractor manpower information, associated with performance of this contract action in support of Army requirements, to the Office, Assistant Secretary of the Army (Manpower and Reserve Affairs), using the secure Army data collection web-site at <https://contractormanpower.us.army.mil/>:

(1) *Direct Labor.* Direct labor hours and the value of those hours;

(2) *Indirect Labor.* Composite indirect labor hours associated with the reported direct hours, and the value of those indirect labor hours plus compensation related costs for direct labor hours ordinarily included in the indirect pools; or two distinct, relevant annual composite or average indirect labor rates. If used in lieu of raw indirect labor hours and the value of those indirect hours, the rates may be annualized average estimates for the reporting contractor and need not be developed for each reporting period.

(i) *Composite Indirect Rate for Indirect Manhours.* If provided, the composite indirect labor rate will be used to grossly estimate the number of indirect hours associated with services reported in each period, when multiplied by the reported direct labor hours.

(ii) *Composite Indirect Rate for Compensation Value.* If provided, a different composite indirect labor rate will be used to grossly estimate the value of compensation related charges not included in the value of direct labor charges, when multiplied by the reported direct labor value. This rate shall include: salaries and wages for indirect labor hours; directors' fees; bonuses (including stock); incentive awards; employee stock options; stock appreciation rights; employee insurance, fringe benefits (*e.g.*, vacation, sick leave, holidays, military leave, supplemental unemployment benefit plans); contributions to pension plans (defined benefit, defined contribution); other post-retirement benefits, annuity, and employee incentive

compensation and deferred compensation plans; early retirement plans; off-site pay; incentive pay; hardship pay; severance pay; and COLA differential;

(iii) *Actual Estimated Indirect Labor Hours and Value(s)*. Contractors may choose to report estimated total hours and dollars for indirect labor (related to the reported direct labor) and compensation charges not reported as direct labor charges (as opposed to providing average composite rates). Either method chosen should be consistently reported.

(e) *Reporting Exemption(s)*. In the rare event the contractor is unable to comply with these reporting requirements without creating a whole new cost allocation system or system of records (such as a payroll accounting system), or due to similar insurmountable practical or economic reasons, the contractor may claim an exemption to at least a portion of the reporting requirement by certifying in writing to the contracting officer the clear underlying reason(s) for exemption from the specified report data elements, and further certifying that they do not otherwise have to provide the exempted information, in any form, to the United States Government. This certification is subject to audit and potential legal action under Title 18, United States Code. The contractor may not claim an exemption on the sole basis that they are a foreign contractor; that services are provided pursuant to a firm fixed price or time and materials contract or similar instrument; or on the basis that they have sub-contracted their payroll system, or have too many subcontractors. If the contracting officer, by written notice, determines that the "self-exemption" is lacking in basis or credibility, the contractor shall comply with the subsequent direction of the contracting officer, whose decision is final in this matter.

(f) *Uses and Safeguarding of Information*. The information submitted will be treated as contractor proprietary information when associated with a contractor name or contract number. The Assistant Secretary of the Army (Manpower and Reserve Affairs) will oversee the aggregation of this information and will exclude contract number and contractor name from any use of this data (except as necessary for internal Army verification and validation measures). The planning factor(s) derived from this data by ASA (M&RA) and its contract support (if any) will be used solely for Army manpower planning purposes and will not be applied to any specific acquisition(s). Detailed data by contract number and name will not be released to any Governmental entity other than ASA (M&RA), except for purposes of assessing compliance with the reporting requirement itself, and will only be used for the stated purposes (reporting and planning). Any potentially sensitive data released with-

in the Army or to its contractor will be clearly marked as Contractor Proprietary. Non-sensitive roll-up information may eventually be published for public inspection after such data has been validated as deemed appropriate.

(g) *Sub-Contractor(s)*. The contractor shall ensure that all reportable sub-contractor data is timely reported to the data collection web site (citing this contract/order number). At the discretion of the prime contractor, this reporting may be done directly by sub-contractors to the data collection site; or by the prime contractor after consolidating and rationalizing all significant data from their sub-contractors.

(h) *Report schedule*. The contractor is required to report the required information to the Office of the Assistant Secretary of the Army (Manpower and Reserve Affairs) data collection web site generally contemporaneous with submission of a request for payment (for example, voucher, invoice, or request for progress payment), but not less frequently than quarterly, retroactive to October 1, 1999, or the start of the contract/order, whichever is later. Deviation from this schedule requires approval of the contracting officer.

(i) *Reporting format*. The information required should be reported electronically to the M&RA data collection point, at <https://contractormanpower.us.army.mil>. This web site identifies and explains all the mandatory data elements and format required to assure reliable and consistent collection of the data required by law, and includes, but is not limited to, identification of the information collected pursuant to § 668.2(d)(1) and (2) as related to:

(1) *Reporting to Congress or Army Leadership*. Data elements required for reports to Congress and Army manpower planning, such as: the applicable federal supply class or service code, appropriation data (and estimated value for each appropriation where more than one appropriation funds a contract), major Army organizational element receiving or reviewing the work, and place of performance/theater of operation where contractor performs the work.

(2) *Data Credibility*. Data elements required for purposes of assuring credible and consistent reporting and general compliance with the reporting requirement, such as: beginning and ending dates for reporting period; contract number (including task or delivery order number); name and address of contracting office; name, address and point of contact for contractor; and total estimated value of contract.

(j) *Reporting Flexibility*. Contractors are encouraged to communicate with the help desk identified at the data collection web site to resolve reporting difficulties. The web site reporting pages include a "Remarks" field to accommodate non-standard data entries if

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needed to facilitate simplified reporting and to minimize reporting burdens arising out of unique circumstances. For example, contractors may use the remarks field to identify multiple delivery orders associated with a single data submission or record, so long as the contract number, federal supply or service code, major Army organizational element receiving or reviewing the work, and contracting office are the same for the reporting period for that set of delivery orders, rather

than entering a separate data submission or record for each individual delivery order. Subcontract data may also be consolidated in a single report for a reporting period. Other changes to facilitate reporting may be authorized by the contracting officer or the Help Desk (under Army policy direction and oversight).

PARTS 669–699 [RESERVED]